

# **Local Impact Assessment Class 1 Application**

**Commercial Hotel (LIQH400122772)**

**167 Boorowa Street**

**YOUNG NSW 2594**

**October 2023**

## **EXECUTIVE SUMMARY**

### **1. INTRODUCTION**

This Local Impact Assessment Class 1 has been prepared to accompany a Threshold Increase Application for the approval of a 'low range' gaming machine increase by Mark Vallender (the "Applicant"). The increase is to apply to the hotel licence LIQH400122772, situated at 167 Boorowa Street, Young NSW (the "Venue") located in the SA2 Band 2 area of Young within the Hilltops Local Government Area (the "LGA") and known as the "Commercial Hotel".

The Venue's approved gaming machine threshold is currently zero. The Applicant proposes to increase the threshold by six (6) gaming machine entitlements/permits. This LIA provides details of the Local Community.

### **2. RESPONSIBLE GAMBLING MEASURES**

Chapter 3 of this Report details the mandatory responsible conduct of gambling measures to be put in place by the Applicant at the Venue.

### **3. LOCAL COMMUNITY**

Chapter 4 of this Report details the characteristics of the area potentially affected by the approval of the Threshold Increase Application and a demographic description of the Local Community, which has been identified as Young SA2.

### **4. POSITIVE CONTRIBUTION**

Chapter 5 of this Report details the positive contribution resultant from approval of the Threshold Increase Application to the Local Community.

### **5. CONCLUSION**

Given the satisfaction of the requirements of the Gaming Machines Act 2001 (the "Act") and the associated Gaming Machines Regulation 2019 (the "Regulation") through the conduct of gaming machine operation at the Venue in a responsible manner and in accordance with the proposed Gaming Plan of Management, along with the evidence of the substantial positive contribution through the Responsible Gambling Fund, it is the Applicant's contention that this LIA meets the requirements of the Legislation.

## 1. INTRODUCTION

This Class 1 Local Impact Assessment has been prepared to accompany a Threshold Increase Application for a Band 2 SA2 Venue for a 'low range' increase of 6 gaming machine entitlements/permits for the Commercial Hotel, located at 167 Boorowa Street, Young.

### ***Methodology***

- 1.1. In respect of LIAs relating to threshold increase applications, the LIA Guidelines provide that the Independent Liquor and Gaming Authority (the "Authority") can only approve an LIA that complies with the requirements of the Act and the Regulation and demonstrates that gambling activities will be conducted in a responsible manner.
- 1.2. The Guidelines further state that a Class 1 LIA must demonstrate that the proposed increase in gaming machines for the Venue will provide a positive contribution towards the Local Community in which the Venue is situated.

## 2. DETAILS OF THE VENUE

- 2.1. The Venue has operated at its current location since September 1959, and presently provides the following:
  - Public Bar
  - Sports Bar
  - Beer Garden/outdoor seating
  - Meeting and function areas
  - Kitchen and Dining areas
  - Sanitary and other back of house facilities.
- 2.2. The Venue has been conducted by the current business owner since April 2022. During that time, the Venue has undergone significant improvements including new furniture, fittings and fixtures, improvements to accommodation, upgraded fire system, and improvements to the kitchen, to make the Venue a more family friendly facility.
- 2.3. The Venue is located on the corner of Boorowa & Main Streets, situated in the main commercial precinct of Young.
- 2.4. The Venue's gaming machine threshold is currently zero. The Venue previously operated gaming machines, however, the threshold was reduced as a result of a previous transfer pursuant to Section 20A(3) of the Gaming Machines Act 2001. The 24 month period during which the Hotel is not permitted to acquire any gaming machine entitlements pursuant to Section 20A(5) of the Gaming Machines Act has now expired.
- 2.5. The intention of this application is for 6 gaming machine entitlements or poker machine permits to be procured and transferred to the Venue.
- 2.6. The Venue's approved hours are as follows:
  - Monday to Saturday - 7:00 am until 12:00 midnight:
  - Sunday - 10:00 am until 10:00 pm.

2.7. The gaming machine shutdown period applicable to the Venue is:

- Monday to Sunday - 4.00 am until 10.00am.

2.8. The Hotel is not a new hotel and accordingly, clause 31 of the Regulation does not apply to this application.

2.9. The Venue is an active sponsor of several sporting and community groups and events within the local area.

### **3. RESPONSIBLE GAMBLING MEASURES**

3.1. It is proposed that the provision of gaming machines will be merely one of the aspects of the services and facilities that are provided at the Venue, and will complement those existing services and facilities.

3.2. Gaming is to be provided in a designated gaming room within the Venue. That room will comply with Clause 8 of the Regulation in respect of the following:

- (a) It will be located in a “bar area” of the Venue (and is not located in an area in which a minor’s area authorisation or minors functions authorisation is in force);
- (b) The gaming room will be physically separated from the general bar area by permanent opaque walls;
- (c) Patrons will not be compelled to pass through the gaming room in order to enter or leave the Venue or to gain access to another part of the Venue;
- (d) Entry will be provided free of charge;
- (e) The gaming machines are to be situated so that they cannot be seen from any place outside the Venue;
- (f) All machines will be suitably spaced to facilitate access;
- (g) The gaming room will be monitored by a gaming room supervisor, as well as by electronic means (CCTV) at all times;
- (h) There will be a doorway or space that provides reasonable access to at least one operating bar and one toilet for each gender, without the need for patrons to go out onto the street or outside the Venue.

3.3. Other requirements of the Act and Regulation are complied with, in that:-

- (a) All staff involved in gaming duties will hold a current and approved responsible conduct of gaming (RCG) competency card (or interim certificates). Copies of competency cards (or interim certificates) are kept by each staff member when working at the Venue and are available for inspection;
- (b) The Venue will make arrangements for the provision of gambling counselling;
- (c) The Venue will participate in the Game Care Multi-Venue Self Exclusion Program;

- (d) Staff will be trained in the requirements of the self-exclusion program and associated process;
  - (e) All statutory signage will be prominently displayed throughout the gaming room;
  - (f) Pamphlets informing patrons of the dangers of problem gambling and of the availability of counselling and the self-exclusion scheme will be displayed within the Hotel in a number of community languages;
  - (g) The Venue's automatic telling machine (ATM) will be located outside the gaming room, with patrons not permitted to make withdrawals on credit;
  - (h) There will be no advertising or promotions of the availability of gaming machines conducted at the Venue;
  - (i) The Venue will not accept third party cheques or the cashing of cheques by patrons;
  - (j) There will be a limit of \$5,000 on cash payment for winnings;
  - (k) Minors will not be permitted entry to the gaming room;
  - (l) Consumer information on the chance of winning maximum prizes and jackpots will be made available in the gaming area;
  - (m) The Venue will not publish any gaming machine advertising;
  - (n) All gambling-related signs will be situated within the Venue and will not be visible from the exterior of the Hotel; and
  - (o) Inducements will not be offered at the Venue for the use of the gaming machines.
- 3.4. A Gaming Plan of Management ("GPOM") will be adopted and implemented at the Venue upon the approval of this application. The applicant consents to a condition being imposed on the licence requiring compliance with that Plan of Management at all times.
- 3.5. In accordance with the GPOM, the gaming room will be monitored regularly through CCTV cameras, the manager/licensee, as well as gaming attendants. This supervision will allow management to make early detection of any possible signs of at risk or problem gambling being experienced at the Venue.

#### **4. LOCAL COMMUNITY**

- 4.1. The Local Community is the Young SA2.

##### ***Demographics***

- 4.2. The Young SA2 had a population of 11,004 as at the 2021 Census.
- 4.3. Other relevant census demographic information is set out below:

- 51.9% of the population is female.
- The median age is 42.

- 4.4. According to the 2021 Census, the percentage of residents aged 55 and over was 35.3% compared to 29.6% for NSW. In addition, 38.2% of residents in the SA2 area owned their home without a mortgage, in comparison to 31.5% of NSW.
- 4.5. Further, the median mortgage repayments for Young is \$1,300 compared to \$2,167 for NSW, whilst owners with mortgage repayments less than or equal to 30% of household income is 77.6% compared to 71.9% for NSW.
- 4.6. 56.2% of residents work full time in comparison with 55.2% for NSW.

## **5. POSITIVE CONTRIBUTION**

- 5.1. Clause 33 of the Regulation requires this LIA to include details of the benefits that the Venue will provide to the local community if the application is approved.
- 5.2. A positive contribution shall be made by way of a financial contribution of \$245,395.80 if this application is approved. The proposed contribution will be made to the Secretary of the Responsible Gambling Fund pursuant to Section 36A of the Act.

### ***Calculation of amount of financial contribution***

- 5.3. The Hotel is not a new hotel as defined under the Gaming Machines Act 2001. However, the gaming machine threshold is presently zero due to the provisions of Section 20A(3) of the Gaming Machines Act when the former owner of the Venue transferred the entitlements. As a result, the formula to be used to determine the contribution is the same as when making a determination for the contribution for a new hotel.
- 5.4. The formula provides for the 'positive contribution' to be 15% of the average annual profit of existing gaming machines before tax of existing hotels in the LGA, multiplied by the number of GMEs to be added by the GMT increase, per year over 5 years.
- 5.5. The positive contribution to be paid to the Responsible Gambling Fund will ultimately benefit the local community. The Venue will implement responsible gaming and harm minimisations to negate any negative impacts on the local community.
- 5.6. The Liquor & Gaming NSW website combines Hilltops LGA with Cootamundra-Gundagai LGA for the gaming machine performance data associated with the hotel licences in these two LGA areas. Liquor & Gaming NSW was contacted and provided details on Hilltops LGA gaming machine performance data only, with the profit per gaming machine for Hilltops LGA being \$54,532.40 for the 12 months ending June 2023.
- 5.7. The calculation of the positive contribution required to be paid by the applicant on the grant of the application is in accordance with the Guideline published by Liquor & Gaming NSW and is **\$245,395.80**.

## **6. CONCLUSION**

- 6.1. This LIA, pursuant to Clause 33 of the Regulation, defines the Applicant's Local Community, details the positive contribution that the Applicant will provide to the Local Community if the Threshold Increase Application is approved, and details the harm minimisation and responsible gambling measures that are in place at the Venue.
- 6.2. The Applicant submits that this Class 1 LIA accompanying the low range application satisfies the requirements of Section 36(3) of the Act, applicable Regulations and Guidelines for the Authority to approve the application. This application demonstrates the purpose of Section 36(3)(b) that gambling activities in the Venue will be conducted responsibly if this application is approved.
- 6.3. The proposed increase in the GMT from zero to 6 will provide a positive contribution towards the local community where the Venue is situated on the basis of the applicant's proposed financial contribution to be paid in accordance with Section 36A of the Act.
- 6.4. It is therefore submitted that the tests as set out in the Guideline and Regulation are met and the applicant submits that the threshold increase application should be approved.